

**EDUCATION AND WORKFORCE DEVELOPMENT CABINET**  
**Office of Adult Education (Kentucky Skills U)**  
**(Amendment)**

**13 KAR 3:040. GED Incentives Program.**

RELATES TO: KRS 151B.408 [~~KRS 151B.023(1)~~], 151B.402 [~~151B.127~~], 151B.408 [~~151B.410~~]

STATUTORY AUTHORITY: KRS 151B.402 [~~KRS 151B.127(1)~~]

NECESSITY, FUNCTION, AND CONFORMITY: KRS 151B.402 [~~KRS 151B.127~~] requires the Office of Adult Education [~~Department for Adult Education and Literacy~~], in conjunction with the Education and Workforce Development Cabinet [~~Council on Postsecondary Education~~], to promulgate administrative regulations for an incentive program provided to full-time employees (and their employers) who complete a [~~general education development~~] GED® diploma [~~(GED)~~] within one (1) year [~~, and to their employers~~]. This administrative regulation prescribes the policies, activities, and procedures required for participants in this incentive program.

Section 1. Learning Contract Requirement. A learning contract between an eligible employee, the employer, and the adult education instructor shall be developed, in accordance with KRS 151B.402 [~~KRS 151B.127(1)(a)~~]. The local adult education program shall:

- (1) Ensure that learning contract form KYSU-29 [~~DAEL-29~~], incorporated by reference, is fully completed and signed by the parties;
- (2) Retain the original learning contract form for a period of three (3) years after the employee's completion of the program;
- (3) No later than ten (10) days after the final signature is obtained on the learning contract, submit a copy to:
  - (a) The employee;
  - (b) The employer; and
  - (c) Kentucky Skills U [~~The Department for Adult Education and Literacy~~].

Section 2. Attendance Reports. A local Skills U [~~adult education~~] program official shall submit monthly attendance reports, using form KYSU-30 [~~DAEL-30~~], incorporated by reference, to the Office of Adult Education [~~Department for Adult Education and Literacy~~] and the employer, in compliance with KRS 151B.402 [~~KRS 151B.127(1)(b)~~]. The local Skills U [~~adult education~~] program shall:

- (1) Use sign-in and sign-out sheets to verify the information reported on attendance reports;
- (2) Retain copies of sign-in and sign-out sheets for three (3) years following the employee's completion of this program; and
- (3) Provide copies of sign-in and sign-out sheets to Office of Adult Education [~~Department for Adult Education and Literacy~~] staff upon request.

Section 3. Final Report. (1) The local Skills U [~~adult education~~] program shall:

- (a) Complete a final report, using form KYSU-31 [~~DAEL-31~~], incorporated by reference, in compliance with KRS 151B.402 [~~KRS 151B.127(1)(c)~~];
- (b) Retain the original final report; and
- (c) No later than ten (10) days after the final report is created, submit a copy of the final report to:
  1. The employee;
  2. The employer;

3. The Kentucky Revenue Cabinet; and

4. The Office of Adult Education [~~The Department for Adult Education and Literacy~~].

(2) The employee shall provide the final report to a public postsecondary institution when applying for a tuition discount as provided in KRS 151B.402 [~~KRS 151.127(2)(b)~~].

(3) The employer shall provide the final report to the Kentucky Revenue Cabinet when applying for a tax credit as provided in KRS 151B.402 [~~KRS 151B.127(3)~~].

Section 4. Incorporation by Reference. (1) The following information is incorporated by reference:

(a) "GED-Incentive Program Learning Contract (KYSU-29) [~~(DAEL-29)~~]", 10/26/00 edition, Education and Workforce Development Cabinet [~~Cabinet for Workforce Development~~], Office of Adult Education [~~Department for Adult Education and Literacy~~];

(b) "GED-Incentive Program Attendance Record (KYSU-30) [~~(DAEL-30)~~]", 7/10/01 edition", Education and Workforce Development Cabinet [~~Cabinet for Workforce Development~~], Office of Adult Education [~~Department for Adult Education and Literacy~~]; and

(c) "GED-Incentive Program Final Report (KYSU-31) [~~(DAEL-31)~~]", 7/10/01 edition", Education and Workforce Development Cabinet [~~Cabinet for Workforce Development~~], Office of Adult Education [~~Department for Adult Education and Literacy~~].

(2) This material may be inspected, copied, or obtained, subject to applicable copyright law, at the Office of Adult Education [~~Department for Adult Education and Literacy~~], [~~Capital Plaza Tower~~], Fifth [~~Third~~] Floor, 500 Mero Street, Frankfort, Kentucky 40601, Monday through Friday, 8 a.m. to 4:30 p.m.

JOHN C. GREGORY, Executive Director

For JACQUELINE COLEMAN, Secretary

APPROVED BY AGENCY: August 4, 2021

FILED WITH LRC: August 4, 2021 at 4:30 p.m.

PUBLIC HEARING AND PUBLIC COMMENT PERIOD: A public hearing on this administrative regulation shall be held at October 26, 2021, 1:00 p.m. at 500 Mero Street, 1st Floor, Frankfort, Kentucky. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing is received by that date, the hearing may be canceled. This hearing is open to the public. Any person who wishes to be heard will be given an opportunity to comment on the proposed administrative regulation. A transcript of the public hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted through 11:59 p.m. on October 31, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person below.

CONTACT PERSON: Natalie Cummins, GED® Administrator, Office of Adult Education (Kentucky Skills U), 500 Mero Street Mail Stop 5SC, Frankfort Kentucky 40601; phone 502-892-3021; email Natalie.Cummins@ky.gov.

## REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Contact Person: Natalie Cummins

(1) Provide a brief summary of:

(a) What this administrative regulation does: KRS 151B.402 requires the Office of Adult Education, in conjunction with the Education & Workforce Development Cabinet, to promulgate

administrative regulations for an incentive program provided to full-time employees (and their employers) who complete a GED® diploma within one (1) year.

(b) The necessity of this administrative regulation: This administrative regulation prescribes the policies, activities, and procedures required for participants in this incentive program.

(c) How this administrative regulation conforms to the content of the authorizing statutes: The regulation currently conforms to the content of the authorizing statutes. The amendment does not change the substance of the current regulation.

(d) How the amendment will assist in the effective administration of the statutes: This regulation currently assists in the effective administration of statutes. The amendment does not change the substance of the current regulation.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: This amendment changes naming only.

(b) The necessity of the amendment to this administrative regulation: KYSU no longer resides within the Council on Postsecondary Education. Language changes are necessary to reflect inclusion in the EWDC.

(c) How the amendment conforms to the content of the authorizing statutes: The regulation currently conforms to the content of the authorizing statutes. The amendment does not change the substance of the current regulation.

(d) How the amendment will assist in the effective administration of the statutes: This regulation currently assists in the effective administration of statutes. The amendment does not change the substance of the current regulation.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Employees wishing to receive a tuition discount and employers wishing to obtain the relevant tax credit (number is currently zero); Kentucky Public Universities; Kentucky Community and Technical College System; Office of Adult Education (Kentucky Skills U).

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: The affected entities currently comply with the administrative regulation.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): There are no costs associated with this amendment.

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): Employees will receive a variable tuition discount at a public postsecondary institution. Employers will receive a variable tax credit.

(5) Provide an estimate of how much it will cost the administrative body to implement this administrative regulation:

(a) Initially: This administrative regulation is already being administered as part of basic funding.

(b) On a continuing basis: This administrative regulation is already being administered as part of basic funding.

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation: The Office of Adult Education receives Title II Workforce Innova-

tion and Opportunity Act funding (through the Adult Education and Family Literacy Act) and funding through Senate Bill 1 (2000) from the Commonwealth of Kentucky.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change if it is an amendment: There are no fees, new or previous, associated with this administrative regulation.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This administrative regulation does not directly or indirectly increase (or establish) any fees.

(9) TIERING: Is tiering applied? No.

## FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

(1) What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation?

Kentucky public universities; Kentucky Community and Technical College System; Office of Adult Education (Kentucky Skills U).

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 151B.402

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? This administrative regulation will not generate revenue.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? This administrative regulation will not generate revenue.

(c) How much will it cost to administer this program for the first year? There is no additional cost to administering this regulation. Costs are covered in the basic funding received by Skills U programs through OAE (KYSU).

(d) How much will it cost to administer this program for subsequent years? There is no additional cost to administering this regulation. Costs are covered in the basic funding received by Skills U programs through OAE (KYSU).

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):

Expenditures (+/-):

Other Explanation: